

Message Text

LIMITED OFFICIAL USE

PAGE 01 SANTIA 00019 021814Z

44

ACTION ARA-10

INFO OCT-01 AF-06 ISO-00 INT-05 AID-05 CIAE-00 COME-00

EB-07 FRB-03 INR-07 NSAE-00 USIA-06 TRSE-00 XMB-02

OPIC-03 SP-02 CIEP-01 LAB-04 SIL-01 OMB-01 GSA-01

/065 W

----- 091765

R 021740Z JAN 76

FM AMEMBASSY SANTIAGO

TO SECSTATE WASHDC 6390

INFO AMEMBASSY PRETORIA

AMCONSUL JOHANNESBURG

LIMITED OFFICIAL USE SANTIAGO 0019

EO 11652: N/A

TAGS: CI, SF, ECEM, ECON

SUBJECT: SOUTH AFRICAN CREDIT TO GOC FOR AMMONIUM NITRATE PLANT

REF: MEMCON OF NOVEMBER 24, 1975 SENT TO ARA/LA/BC

1. BACKGROUND. POSSIBILITY OF SOUTH AFRICAN ASSISTANCE TO CHILE, INCLUDING REFINANCING OF CHILE'S INTERNATIONAL DEBTS, HAS BEEN ALLUDED TO ON OCCASION BY GOC OFFICIALS. WE HAVE NO DOUBT THAT PURPOSE WAS TO SIGNAL TO EMBASSY THAT NOTWITHSTANDING CURTAILING OF USG ASSISTANCE, CHILE HAD OTHER COUNTRIES TO WHOM IT COULD TURN. MOREOVER, CHILEANS PERCEIVE SOME SIMILARITY OF INTEREST BETWEEN TWO COUNTRIES EACH SUBJECT TO SECURE INTERNATIONAL CRITICISM.

2. SOUTH AFRICA HAS IN FACT BEEN BUILDING UP ITS REPRESENTATION HERE. PART OF BUILDUP WAS RECENT ASSIGNMENT OF MINING COUNSELOR DONALD MORRIS, WHOM WE ASKED CONCERNING THESE POSSIBILITIES. MORRIS REPLIED THAT WHILE HIS GOVERNMENT MIGHT EXTEND SOME COMMERCIAL CREDITS TO CHILE, THERE WAS NO POSSIBILITY OF ASSISTANCE ON SCALE SUGGESTED BY GOC OFFICIALS. END BACKGROUND.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 SANTIA 00019 021814Z

3. MORRIS HAS NOW CONFIRMED THAT, ALTHOUGH HIS EMBASSY DOES NOT YET HAVE OFFICIAL NOTIFICATION, SOUTH AFRICA HAS IN FACT EXTENDED A US\$15 MILLION CREDIT TO THE GOC FOR THE PURPOSE OF CONSTRUCTING AN AMMONIUM NITRATE PLANT.

4. ASIDE FROM THIS FACT THAT THE CREDIT HAS BEEN EXTENDED, MORRIS HAS LITTLE INFORMATION REGARDING THE PROPOSED PLANT. HE SUSPECTS THAT THE LARGE SOUTH AFRICAN FIRM, AFRICAN EXPLOSIVES AND CHEMICAL INDUSTRIES, IS SOMEHOW BEHIND THE SOUTH AFRICAN OFFER, BUT THUS FAR HIS INFORMATION IS "THROUGH THE BACK DOOR" AND FAR FROM COMPLETE.

5. WE PLAN TO REPORT FURTHER AS DETAILS BECOME KNOWN. WE WOULD APPRECIATE COMMENT FROM INFO ADDRESSEES.
POPPER

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CREDIT AUTHORIZATIONS, INDUSTRIAL PLANTS, AMMONIA, NITRATES
Control Number: n/a
Copy: SINGLE
Draft Date: 02 JAN 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: morefirh
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976SANTIA00019
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760001-0602
From: SANTIAGO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760190/aaaadbrh.tel
Line Count: 76
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION ARA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: morefirh
Review Comment: n/a
Review Content Flags:
Review Date: 01 JUL 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <01 JUL 2004 by ShawDG>; APPROVED <02 JUL 2004 by morefirh>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: SOUTH AFRICAN CREDIT TO GOC FOR AMMONIUM NITRATE PLANT
TAGS: ECEM, ECON, CI, SF
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006